The Honorable Debbie Stabenow, Chair Senate Committee on Agriculture Nutrition and Forestry U.S. Senate

The Honorable John Boozman, Ranking Member Senate Committee on Agriculture Nutrition and Forestry U.S. Senate The Honorable Glenn Thompson, Chair House Committee on Agriculture U.S. House of Representatives

The Honorable David Scott, Ranking Member House Committee on Agriculture U.S. House of Representatives

Dear Chairwoman Stabenow, Chairman Thompson, Ranking Member Boozman, and Ranking Member Scott:

Thank you for your efforts to strengthen the US Food System by working towards the passage of the 2023 US Farm Bill. The <u>Upcycled Food Association</u> (UFA), an industry trade association representing 170+ US-based member businesses, and our Partners, write to request increased emphasis on preventing food waste within the 2023 Farm Bill through support of the Upcycled Food Industry.

Each year farmers, manufacturers, households, and other businesses in the United States spend \$444 billion to grow, process, transport, and dispose of food that is never eaten.¹ Additionally, according to the EPA, "uneaten food accounts for approximately 16% of U.S. agricultural land and enough energy to power more than 50 million U.S. homes.² The 2018 Farm Bill was the first to address this staggering loss of our country's resources; a rare bipartisan issue championed by the last three presidential administrations.^{3,4} While these efforts are commendable, more can and should be done.

In 2022, the Harvard Law School Food Law and Policy Clinic, Natural Resources Defense Council, ReFED, and World Wildlife Fund jointly published "Opportunities to Reduce Food Waste in the 2023 Farm Bill," highlighting upcycled food as one powerful lever in the effort to reduce food waste. "Upcycled Foods use ingredients that otherwise would not have gone to human consumption, are procured and produced using verifiable supply chains, and have a positive impact on the environment;" and the industry producing Upcycled Food products has begun to gain consumer traction.⁵ The UFA, and the <u>Upcycled Food Foundation</u>, a 501(c)3 non-profit, were formed in 2019 to improve the market for upcycled products. The Members of the UFA representing farmers, manufacturers, retailers, distributors, and service providers in 30 states, collectively report annual revenues of \$30+ Billion. These companies create jobs in local and regional economies and recover lost economic value from the land, energy, labor, and water used to produce previously wasted food.

We, the Upcycled Food Association, our Members, and Partners urge Congress to include the following recommendations from the "Opportunities" document in the 2023 reauthorization of the farm bill:

Provide Financial Incentives to Businesses for the Adoption of Technologies that Reduce Food Waste⁶ A policy such as implementing a federal tax incentive program to motivate the commercial adoption of food waste reduction technologies can help business owners overcome associated upfront costs.³ In parallel, these financial incentives support meaningful progress towards sustainability targets through adoption of more efficient product distribution systems, forecasting, inventory management, and temperature monitoring.

⁵ Upcycled Definition Task Force. Defining Upcycled Foods A Definition for Use Across Industry, Government, and Academia (2020).

⁶ Opportunities to Reduce Food Waste in the 2023 Farm Bill. Supra, note 3.

¹ReFED. The Food Waste Problem. 2023 <u>https://refed.org/food-waste/the-problem/</u> (Accessed June 22, 2023).

² U.S. EPA (U.S. Environmental Protection Agency). From Farm to Kitchen: The Environmental Impacts of U.S. Food Waste. (2018)

https://www.epa.gov/system/files/documents/2021-11/from-farm-to-kitchen-the-environmental-impacts-of-u.s.-food-waste_508-tagged.pdf (Accessed June 12, 2023) ³ U.S. Food and Drug Administration. Food Loss and Waste. (2023). <u>https://www.fda.gov/food/consumers/food-loss-and-waste</u> (Accessed June 14, 2023) ⁴ U.S. Pood and Drug Administration. Food Loss and Waste. (2023). <u>https://www.fda.gov/food/consumers/food-loss-and-waste</u> (Accessed June 14, 2023) ⁴ U.S. Pood and Drug Administration. Food Loss and Waste. (2023).

⁴ U.S. Department of Agriculture. USDA and EPA Join with Private Sector, Charitable Organizations to Set Nation's First Food Waste Reduction. (2015). Goals<u>https://www.usda.gov/media/press-releases/2015/09/16/usda-and-epa-join-private-sector-charitable-organizations-set</u> (Accessed 6/14/2023)

https://chlpi.org/wp-content/uploads/2013/12/Upcycled-Food_Definition.pdf (Accessed June 12, 2023)

The Federal Solar Investment Tax Credit is an example of a similar approach creating hundreds of thousands of jobs and investing billions of dollars in the U.S. economy. Since 2006, with the help of this tax credit, the solar industry has experienced an annual growth rate of over 24%, leading to reductions in greenhouse gas emissions and increased renewable energy generation.⁷

Provide grant funding for new technologies to reduce food spoilage and food waste⁸

This creates a dual opportunity for economic and environmental impact across the agriculture and manufacturing sectors by bringing more upcycled foods to market and curbing food waste throughout the supply chain. We support recommendations that increase funding for the Specialty Crop Research Initiative and direct USDA to give preference to research and development of upcycled products and other projects that target food waste reduction.³

Similar, profound implications of grant funding for new technology can be seen through the Advanced Technology Vehicles Manufacturing (ATVM) Loan Program. Successes include Ultium Cells who received ATVM funding to build three new battery manufacturing plants and the Ford Motor Company who received ATVM funding to make upgrades to facilities translating to higher fuel efficiency.⁹

Fund a National Food Waste Education and Awareness Campaign¹⁰

An educational campaign is necessary to address food waste in the home, and upcycled products should be included as an impactful way for Americans to fight food waste.³ An additional \$3 million annually through 2030 is sought to support a national education campaign that will encourage consumers to buy upcycled products. The investment would help highlight products that divert hundreds of millions of pounds of food from being wasted each year; unlocking economic opportunities by driving innovation and encouraging continued business development and job creation.

Companies that produce Upcycled Certified® products support nearly 74,000 jobs and counting, with grocery store data provider SPINS reporting sales of Upcycled Certified® products grew by more than 21% between 2021 and 2022. Further, jobs in the industry are expected to grow at a rate of 5% annually due to the increased consumer education and corresponding increase in sales, and Upcycled Certified® products have diverted 2 billion pounds of food from being wasted to date.

Investment in the upcycled food industry via the 2023 Farm Bill expands support for a bipartisan issue and aligns U.S. law with the 95% of consumers who believe it's important to do their part to reduce food waste.¹¹ We hope you'll consider these opportunities to leverage a burgeoning industry that stimulates local and regional economies, reduces food waste, and creates jobs in your communities.

Cordially, INSERT SIGNATORIES

⁷ Solar Energy Industries Association. Solar Investment Tax Credit (ITC). <u>https://www.seia.org/initiatives/solar-investment-tax-credit-itc</u> (Accessed June 12, 2023) ⁸Opportunities to Reduce Food Waste in the 2023 Farm Bill. Supra, note 3

⁹ U.S. Department of Energy. Advanced Vehicles Manufacturing Projects. <u>https://www.energv.gov/lpo/advanced-vehicles-manufacturing-projects</u>. (Accessed June 12, 2023) ¹⁰ Opportunities to Reduce Food Waste in the 2023 Farm Bill. Supra, note 3.

¹¹ Mattson 2021 Study on Food Waste.